

Documents on Diplomacy: The Source

The Story of a Covert Operation

Documents from the files of the Central Intelligence Agency, 1954

1. THE CIA DISCOVERS THAT THE SECRET OPERATION HAS BEEN COMPROMISED. . .

108.

Memorandum for the Record

Washington, March 2, 1954.

SUBJECT

Meeting with Seekford

1. At 1910 on 28 February, I picked Seekford up in my car at the corner of Massachusetts and Wisconsin. We drove for about an hour out River Road and I am certain were not observed.

2. Seekford expressed his regrets for the compromise of the five paraphrased cables, and in a manner which appeared to be entirely sincere. I asked him how it was possible, with all of the security indoctrination which he had had, plus the great emphasis on secrecy based on all phases of PBSUCCESS, to have done such an unpardonable thing as to leave sensitive papers in a hotel room. He replied that he had no explanation, that it was a stupid, unpardonable thing to do, but that it was an act of thoughtlessness and carelessness. He expressed himself as most concerned over the effects on the operation and the OAS Conference.

3. I told Seekford that while it was impossible to undo the past, it was his obligation and duty to remain under [less than 1 line of source text not declassified] for a long while to come. He said that he realized how important this was during the OAS Conference. I told him it was equally important for a much longer period, because the enemy might time their disclosures to coincide with expected paramilitary action on our part, and that this might be many months in the future. To this he agreed.

4. It was agreed that for the next month Seekford will remain in Chicago. We discussed two general areas where he could bury himself after that date—Alaska and the Pacific Northwest. While he is willing to go to Alaska, he prefers the Northwest [2 lines of source text not declassified]. He has never been in the Northwest and suggested as a possibility that he get a job until Fall as a fire watcher on a mountain top where he would meet very few people. Another possibility would be to get him a job as an engineer on one

of the many construction projects that must be under way in that region. He believes that the Northwest would be more secure than Alaska, [2 lines of source text not declassified].

5. It is my impression that Seekford will be amenable and cooperative to any reasonable request on our part.

J.C. KING
Chief, WHD

2. . . .BUT DECIDES TO PROCEED ANYWAY. . .

75.

Memorandum From Director of Central Intelligence Dulles to the Deputy Director for Plans (Wisner) and the Acting Deputy Director of Administration of the Central Intelligence Agency

Top Secret; Eyes Only.

SUBJECT

Project PBSUCCESS

1. I have approved Project PBSUCCESS and the allocation of not to exceed \$3,000,000 of funds available to the Agency for its support. The Comptroller is directed to make the necessary adjustments to charge any prior or current expenditures for this Project to this allocation and to credit back any withdrawals made from other allocations.

2. In view of the security aspects of this Project, I hereby authorize the Comptroller to make funds, within the above limitations, available to the Chief, WH Division, at his request and with the prior approval in writing of the DD/P or COP, in such amounts and to such persons as he may desire. The Chief, WH Division, will be the accountable officer for all funds so advanced and will be responsible for assuring that all expenditures are reasonable and necessary for the support of the Project and for obtaining such documentation and receipts for expenditures for these operations shall remain with the WH Division, and the Certifying Officers may accept the certification of the Chief, WH Division, that he has evidence to support the propriety and reasonableness of the expenditures and that they have been made for the official purposes of the Project.

3. The Auditor-in-Chief shall provide for periodic audits, not less than semiannually, under arrangements mutually satisfactory to himself and to the Chief, WH Division.

ALLEN W. DULLES
Director, Central Intelligence Agency

Note: Also attached is a "Report on Stage One," dated December 15, drafted by [name not declassified] and approved by King. The report noted that the element of surprise had been lost and that the opposition consisted of 100 "top-flight" Communists who had been to the Soviet Union. In comparison the pro-Western forces included only two "more or less" untested leaders with liabilities: "Neither man is effectively controlled by PBSUCCESS to date, and achievement of control may be complicated by past financial largess on the part of CIA." In addition, "Past security practices of both men have been poor." The report also noted that the CIA had only limited capabilities in Guatemala: "The Station has no penetrations of the PGT, government agencies, armed forces, or labor unions." Nevertheless, based on information from the Station in Guatemala, the "possible pool of passive supporters of anti-Communism" might total "perhaps 90%" of the politically active population, and that "there is recent evidence of widespread, if still latent, officer dissatisfaction with President Arbenz and the Communists." The report concluded that it was "normal for revolution" to start with a few men, however, and posited four recommendations: "A. That the concept of proceeding on the basis of potential assets, rather than on the basis of existing assets, be approved; B. That, keeping in mind that the U.S. national interest, as defined by the National Security Council, requires a change of government in Guatemala, the TOP Operational Priority of PBSUCCESS be formally assured for at least six months; C. That definite, high-level accord be maintained that any Guatemalan or other charges of U.S. intervention will be met with positive U.S. denial based on factual or notional plausibility; D. That in view of the urgency and magnitude of the problem, early approval be granted to implement Stage Two, Plan of Operations, including the organizational concept and financial requirements."

3. AN ASSASSINATION PLOT

119.

Memorandum From C/[title not declassified], Central Intelligence Agency, to All Staff Officers, Washington, March 31, 1954.

SUBJECT

Selection of individuals for disposal by Junta Group

C/[title not declassified] has requested a list of names be compiled for study by Staff Officers to determine if they meet the latest criteria for inclusion on the Junta's disposal list.

Consideration for inclusion on the final list should positively establish that the individual falls into one or more of the following groups:

1) High government and organizational leaders whose outward position has not disclosed the fact they are motivated and directed by the Cominform and who are irrevocably implicated in Communist doctrine and policy.

2) Out-and-out proven Communist leaders whose removal from the political scene is required for the immediate and future success of the new government.

3) Those few individuals in key government and military positions of tactical importance whose removal for psychological, organizational or other reasons is mandatory for the success of military action.

This document is routed to Staff Officers for deletions, additions, and/or comments. It is requested that a final list of disposees be approved promptly to permit P.M. planning to proceed on schedule.

The following list of individuals for consideration has been assembled from old lists supplied by the Junta and from recent intelligence available at Lincoln [an operational HQ]. Your careful consideration is requested in making additions or deletions.

Each officer is to indicate his concurrence by placing his initials after each name on the attached list which he believes should remain on this list. Exceptions, additions or deletions are to be noted on the pages following the attachment.

4. TWO BROTHERS DISCUSS THE PLAN

189.

Memorandum of Telephone Conversation Between Secretary of State John Foster Dulles and Director of Central Intelligence Allen Dulles, Washington, June 16, 1954, 11:20 a.m.

TELEPHONE CALL TO MR. ALLEN DULLES

The Sec. asked if there is any news from his front, and AWD said no. Things are moving along. Neither had heard what the President said about Guatemala this a.m.

The Sec. said he is seeing him this p.m. and will mention the question of tankers on the other side of the world. The Sec. asked if AWD had any particular views. AWD said he is not at all sure that he would do it. It is not confirmed yet, and he doesn't think we have picked up vessels. Will try to get word to the Sec. by 2:30. They agreed it does not affect policy. The Sec. said he thought the information from AWD was pretty explicit. There was communication with Geneva. AWD said it would be helpful to get guidance. If it doesn't happen now, it will. It is a very ticklish point.

AWD said he is seeing this morning men from Standard of NJ and they will lay before him their position with regard to the small

country down south. AWD besides finding out their position will possibly slow things up without formalized action.

The Sec. asked AWD if he thought [Senator] Hickenlooper might introduce some kind of a sanctions bill in the Senate. AWD said it is a good idea, but will have to be phrased very carefully. The Sec. said we have a draft drawn up, but he was not satisfied with it. AWD said it would help their phase, though it would create problems here.

5. THE OPERATION FALTERS; SHOULD THE UNITED STATES DO MORE?

209.

Telegram From Operation PBSUCCESS Headquarters in Florida to the Central Intelligence Agency, June 19, 1954

4078. Re: GUAT 906.

1. We believe issue is clear: are we going to stand by and see last hope of free people in WSBURNT submerged to depths of Communist oppression and atrocity until we send PBPRIME armed force against enemy as we surely must do sooner or later or are we going to authorize maximum use of our assets to take calculated risk of defection WSBURNT army?

2. Is it not more serious to fail to win having already gone so far than it is to win even though our enemies may try to tar US with intervention? Is not our intervention now under these circumstances far more palatable than by Marines? This is the same enemy we fought in Korea and may fight tomorrow in Indo-China. He knows no quarters and gives none. He is hiding behind Guats on his side and we on ours. He sent the Alfhem arms we sent token gear.

3. Our plans called for internal strength, the enemy ruthlessly eliminated or suppressed this hope. We tried forcing defection by propaganda and token force of armed irregulars. Unless we revert now to real determination to win, our clandestine propaganda effort of pretended strength will if not already become known for what it is. We have 300 men, some already deserting, the enemy's strength remains unimpaired.

4. Our basic plan although altered still remains feasible providing we use our one asset over the enemy—air power. Unless we show real strength within 24 hours we run great risk of Galvez turning against SYNCARP or WSBURNT attacking WSHOOFS. Osorio is still fence sitting because he has not received assurance ODYOKE is determined to see Calligeris succeed. [name not declassified] is facing the enemy's charges alone and offers his air force to bomb WSBURNT. He is willing go all the way to victory.

5. View above and ref msg LINCOLN respectfully requests Hqs move soonest to authorize following specific course of action:

- A. Authority to conduct flak suppression attacks on AA in Adam or elsewhere where obstructing ground progress.
- B. Authority to bomb Hank and other garrisons later if necessary as example of strength and determination of anti-Communists.
- C. Authority to tell army that all who oppose anti-Communists and shoot at them to defend communism will be shot or bombed.

6. Must emphasize again decision must come soon before our mythical strength becomes known to enemy and air remains our only power.

6. THE UNITED STATES WEIGHS IN... SECRETLY

233.

Telegram From the Central Intelligence Agency to Operation PBSUCCESS Headquarters in Florida; June 24, 1954.

Secret; Immediate.

1. We now prepared authorize bombing specific targets in Adam area since you and JMBLUG feel this now the most effective move to achieve success. Targets should be selected with a view to having desired effect on army and regime morale with minimum political cost to PBPRIME.

2. In order meet this condition targets must be:

- A. Recognized as legitimate military objectives;
- B. So located and of such a character that attack would involve absolute minimum risk numerous civilian casualties, and minimum risk large scale casualties to troops not currently engaged in active operation against rebels;
- C. Clearly identifiable.

3. Your proposed target Fortress Matamoros would seem to meet these conditions if [name not declassified] information is correct and reliable that this structure now used for storage arms and ammo and if large number of troops not quartered there.

4. Other appropriate target for your consideration: Petroleum storage in Adam. Judging from air photo, tanks are fairly remote from residential areas. Direct hit would produce spectacular results. Destruction petroleum reserves in Adam combined with subsequent attacks storage at Bond and Ike would have paralyzing effect on economic and military activities in WSBURNT.

5. As between the two targets, our preference is for Matamoros if sure about its use as arsenal since this is clearly military target and destruction would have minimum effect on civilians. If information about utilization doubtful, recommend petroleum storage.

6. You are hereby granted authority attack either target or both. Whichever selected, vitally important avoid wide miss resulting in heavy civilian casualties. Accordingly, pilot should be ordered take no chances if visibility poor.

7. Believe will be desirable, if attacks successful and effective, to follow up with leaflet drop emphasizing:

- A. That only military targets were attacked;
- B. Targets chosen to minimize even military casualties;
- C. Usual line that liberation forces opposing regime, not army and that army can prevent regrettable damage to military installations by helping to liberate the country.

7. . . .AND POINTS A FINGER AT THE SOVIET UNION

236.

Circular Telegram From the United States Information Agency to Certain Posts (Sent to Mexico City, Havana, Rio de Janeiro, Montevideo, Buenos Aires, Santiago, Quito, and Panama, June 25, 1954)

389. The following is intended for placement in radio or press without attribution to USIS.

Title: Kremlin Coordination of Guatemalan Moves

Evidence that the Guatemalan incident is a carefully considered and precisely coordinated Communist thrust at the Americas continues to mount.

The evidence that top-flight agents of the Kremlin are guiding all acts both in the field and on the diplomatic front can be found in the fact that events have a way of waiting on other events before they occur, plus the fact that this interlocking of a grand design is not local, but coordinated in all the Republics. This kind of an operation is beyond the scope of any national Communist group.

Here are some examples:

Not only do the Communists form and finance the Societies of the Friends of Guatemala, they work them like the pawns on a chess board. The entire lecture circuit from Santiago to Mexico City is coordinated; a vote in one society is instantly echoed in another; the wording of resolutions, although seemingly sponsored by men and people thousands of miles away from each other, is often absolutely identical. All these things are the mark of the experienced agent, rather than the political amateur.

The same skilled hand can be found on still a higher level, the diplomatic level. Guatemala's insistence on bringing an American problem before the United Nations' Security Council is the right of any nation with any problem, but the skill she has displayed in keeping the problem away from the body most capable of handling it--the Organization of American States--shows that there is an overall plan in this department too. Despite the carefully laid plan, it was forced into the open when the Soviet delegate Tsarapkin cast the Soviet veto against transferring the Guatemalan charge to the OAS.

Yesterday, Americans were treated to a view of the apparatus at work from top to bottom:

- Guatemala bypassed the OAS.
- The Soviet Union approved her bypassing.
- The Security Council wanted the OAS.
- The Soviet Union cast a veto to see that OAS did not get the problem.

That's only in the past; now look at the pattern working yesterday:

- Guatemala presses for still another meeting of the Security Council.
- Even as she presses, pickets are marching in front of the UN headquarters, carrying placards for Guatemala. The pickets organized by the American Peace Crusade, a Communist-front organization.
- Ambassador Henry Cabot Lodge agrees that Guatemala should have another meeting of the Security Council.
- Then comes the one slip of the day--the one which displays the coordination behind all these Communist moves:
- After--a few minutes after--Ambassador Lodge had sent out the call for the new meeting of the Security Council, Soviet delegate Tsarapkin put in his own demand for a Council meeting "without delay."

Just a few minutes time and there would have been no need of the Tsarapkin demand; just a few minutes time and the world would not have got this first-hand picture of how closely-knit the overall plan is.

The hand within the glove had peeped out for just a second, and for a second time--first the veto, and now the demand that the situation be kept within reach of further Soviet vetoes.

STREIBERT

8. "A GREAT VICTORY HAS BEEN WON"

265.

Telegram From the Central Intelligence Agency to Operation PBSUCCESS Headquarters in Florida. Secret; Priority; June 30, 1954
07298. From Ascham, Ordway and Whiting.

1. To Playdon, Dunbar, and all hands at LINC as well as all elements of PBSUCCESS complex: Heartiest congratulations upon outcome developments past forty-eight hours. A great victory has been won. This victory is the more notable by virtue of the extreme difficulties of the operation and the odds which were recognized to be against our chances of success from the outset. The energy and devotion of the personnel at LINC and the field Stations has been truly exceptional and has served as an inspiration and a challenge to all of us at hqs.

2. It is requested that LINC pass on the foregoing to all appropriate elements of PBSUCCESS field complex and at full strength. Hqs assumes LINC will have its own special messages to send to the field but desires to have hqs congratulations expressed as well.

3. Not necessary to repeat hqs congratulations to Guat and [place not declassified] because this done directly by refs. These messages were thus sent by hqs for special reason that JMBLUG and SKILLET key members team effort WSBURNT and WSHOOFS parts of operation and had their initial briefings and indoctrination from hqs. Accordingly it seemed appropriate hqs extend congratulations to them both as members of the true team effort and individually.

9. EXTREMELY IMPORTANT: LOOK FOR LINKS TO THE SOVIET UNION

283.

Telegram From the Central Intelligence Agency to the CIA Station in Guatemala, Secret; Priority, August 9, 1954.

1. Appreciate advice contained in para 1 of ref however desire further clarification including answers to following questions. Although your team "discovered" believed understood, please confirm upon completion discovery of documents 2 to 9 any others in brochure, and also please advise of terms and conditions any understanding or agreement on part of regime covering our use, including overt exploitation this material. Also what can we cite as the source of these documents and method our obtainment thereof for purposes of public exploitation of documents. This "sourcing" should of course be in form acceptable to regime.

2. We again call to your attention and that of entire PBHISTORY team the extreme importance of any and all documentary evidence tending to establish contacts, connections

and courses of dealing as between Arbenz regime and/or Guat Communist Party and leaders on the one hand, and Moscow-Prague and international Communist organization on the other hand. ODACID particularly keen obtain any such documentary evidence soonest possible to assist in tying down allegations still made in some quarters that Guat Communist apparatus was purely indigenous affair, not directed, controlled or guided by world Communist hqs.

10. BUT NOTHING OF VALUE IS FOUND. . . WERE DOCUMENTS DESTROYED? DID THEY EVER EXIST?

286.

Editorial Note

By the beginning of September 1954 all the major documentary sources in Guatemala, including the Foreign Ministry and the Communist Party, had been explored, but few incriminating documents were found. The Station in Guatemala concluded: "All sources agreed Commies and govt. implicated officials either destroyed or personally took out damaging documents. For example, Calligeris advised all Army G-2 files burned, which included Alfhem correspondence."

According to a Summary Progress Report dated September 28: "The PBHistory team reviewed more than 500,000 documents, not including several hundred thousand duplicate copies and illegible or semi-destroyed papers and masses of Communist propaganda, books, leaflets, and magazines." But of that number, only 2,095 were duplicated and a further 50,000 microfilmed. While considering the overall mission a success, the report admitted that "very few" "Communist damaging" documents had been found.

Exploitation of the documents included their release to the press. The documents offered were printed by an "unusually cooperative" Guatemalan press, but "the editors made little embellishment of even the most provocative documents, unless suggestions, captions or stories written by the KUGOWN officer went with the photostatic copy." Attempts to publicize the findings throughout Latin America, however, were unsatisfactory. The report noted that only one news service had even carried the initial press release by the Minister of Propaganda. The others "felt the story was not 'spot' news, and consequently did not value it to the point of cable traffic." The conclusion reached was that the bulk of the documents "may be of value for research study."

11. THE OFFICIAL STORY, WRITTEN 20 YEARS LATER

287.

Secret Memorandum Prepared by the Central Intelligence Agency, May 12, 1975.

SUBJECT

CIA's Role in the Overthrow of Arbenz

In August 1953, the Operations Coordinating Board directed CIA to assume responsibility for operations against the Arbenz regime. Appropriate authorization was issued to permit close and prompt cooperation with the Departments of Defense, State and other Government agencies in order to support the Agency in this task. The plan of operations called for cutting off military aid to Guatemala, increasing aid to its neighbors, exerting diplomatic and economic pressure against Arbenz and attempts to subvert and or defect Army and political leaders, broad scale psychological warfare and paramilitary actions. During the period August through December 1953 a CIA staff was assembled and operational plans were prepared.

Following are the specific operational mechanisms utilized by the Agency in the overall missions against the Arbenz government:

a. Paramilitary Operations. Approximately 85 members of the Castillo Armas group received training in Nicaragua. Thirty were trained in sabotage, six as shock troop leaders and 20 others as support-type personnel. Eighty-nine tons of equipment were prepared. The support of this operation was staged inside the borders of Honduras and Nicaragua. [1-1/2 lines of source text not declassified] There were an estimated 250 men in Honduras and El Salvador for use as shock troops and specialists, outside of the training personnel that had been sent to Nicaragua.

b. Air Operations. The planning for providing air operational support was broken down into three phases; i.e. the initial stockpiling of equipment; the delivering of equipment to advance bases by black flight; and the aerial resupply of troops in the field. Thirty days prior to D-day, a fourth phase, fighter support, was initiated. There were approximately 80 missions flown during the 14-29 June 1954 period, by various type aircraft such as C-47's, F-47's and Cessnas which were used to discharge cargo, distribute propaganda and for strafing and bombing missions.

c. Clandestine Communications. A clandestine radio broadcasting station was established in Nicaragua. The purpose of these broadcasts was to intimidate members of the Communist Party and public officials who were sympathetic to the Communist cause. The radio station, prior to D-day, broadcasted programs on why they were on the air; dramatized examples of Communist tyranny; the ideologies and aims of the Liberation Movement

and what effect was intended *vis-à-vis* each individual who was listening; an aggressive program outlining the activities which would ultimately bring down the Communist threat, etc.

d. Q Program. The objective was spreading responsibility for the operation throughout as many Latin American countries as possible in order to lessen the impact of United States participation.

e. Indigenous agent radio operator training program. This included 13 radio operators, including seven residents and six tactical, and one cryptographer who were trained in Nicaragua from 6 March-9 June 1954.

One of the propaganda ploys was to fabricate reports of Soviet arms deliveries to Guatemala by submarine, and then arranging to have a CIA planted cache of Soviet arms discovered and publicized. The mythical arms deliveries were superseded by the real thing when a ship carrying 2,000 tons of Czech weapons and ammunition arrived. This shipment created an international furor and provided clinching proof of what had been the main CIA propaganda theme, that Guatemala under Arbenz had become a Soviet satellite.

The results of the operational efforts described above were positive, however key Guatemalan Army officers wanted either official assurance of U.S. Government support or an overt military incident which would demonstrate Castillo's power and determination. On 1 June the Arbenz regime began a wave of arrests which obliterated Castillo's intelligence nets and action assets inside the country and on 8 June a 30-day suspension of all constitutional liberties was announced.

On 17-18 June five shock teams trained by the Agency crossed into Guatemala. The turning point came on 25 June when Castillo's forces repulsed a counterattack and later bombed a fortress in Guatemala City.

On 27 June Arbenz resigned and turned the government over to another Communist, Carlos Enrique Diaz, chief of the armed forces. Following the resignation the Chief of Station and another agency officer held a negotiating session with Guatemalan Army officers. The Agency representatives argued that Diaz was unacceptable [less than 1 line of source text not declassified]. Following assurances from the U.S. Ambassador that Monzon was indeed the U.S. choice, those present agreed that Monzon would be the head of a junta. The agreement soon broke down when Diaz doublecrossed Monzon by appointing him as Minister of Government while Diaz retained his position. Diaz caved in following bombings by F-47's.

Negotiations took place between Castillo and Monzon, President of the Junta, who agreed to accept Castillo as a member. In early July Castillo became President of the Junta with Major Enrique Oliva and Monzon as the other two members.

The budget allocation for this activity was \$3,000,000 and the actual cost, less recoverable assets, was just under the original allocation.

Background

It was considered that Guatemala represented a serious threat to hemispheric solidarity and to U.S. security in the Caribbean area. Guatemala was ruled by anti-U.S. President Jacobo Arbenz Guzman who was elected to office as a result of fraudulent elections in November 1950. Arbenz was supported by a leftist coalition government, with all key positions below the cabinet level thoroughly controlled by a Communist-dominated bureaucracy.

The country also maintained the balance of military power in Central America through the army of 7,000 men, the well-trained, hard-core element of which was stationed in Guatemala City. Because of this Communist influence and a hardening anti-U.S. policy, on the part of Guatemala, which was targeted directly against American interests in the country, the U.S. Government was forced to adopt a somewhat firmer attitude toward Guatemala. Based on NSC 144/1 and PSB policy guidance, the Agency placed top operational priority in an effort to reduce and possibly eliminate Communist power in Guatemala. [Budget Summary omitted]

Source

United States Department of State, Office of the Historian,
Foreign Relations of the United States, 1952–1954, Guatemala,
<http://history.state.gov/historicaldocuments/frus1952-54Guat/d51>